THE CITY OF FREDERICK MAYOR AND BOARD OF ALDERMEN

ORDINANCE NO: G-20-26

AN ORDINANCE concerning vacant properties

FOR the purpose of adding certain definitions; requiring the registration of certain properties; providing for maintenance standards; requiring inspections; creating a class of property for tax purposes; and generally relating to the registration, maintenance, and taxation of vacant properties within the City of Frederick.

BY adding

Chapter 12.5 Article IV

The Code of the City of Frederick, 1966 (as amended)

BY adding

Chapter 8 Article V

The Code of the City of Frederick, 1966 (as amended)

SECTION I. BE IT ENACTED AND ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF FREDERICK, That Chapter 12.5, Article IV of The Code of the City of Frederick, 1966 (as amended) is hereby added to read as follows:

ARTICLE IV. VACANT PROPERTY.

Sec. 12.5-50. Purpose.

The purposes of this article are to reduce blight by encouraging property owners to sell, lease or occupy vacant structures; to ensure that owners of vacant properties are known to the City and other interested parties and can be reached if necessary; to ensure that owners of vacant properties are aware of the obligations of ownership under relevant codes and regulations; and to ensure that owners meet minimum standards of maintenance of vacant properties.

Sec. 12.5-51. Definitions.

- (a) Generally. For purposes of this article, the following terms have the meanings indicated.
- (b) Commission. "Commission" means the Vacant Property Appeals Commission.
- (c) Department. "Department" means the Department of Public Works.
- (d) Director. "Director" means the Director of Public Works or the Director's designee.
- (e) Owner. "Owner" means a person:
 - (1) With a legal or equitable interest in or control of the property;

- (2) Having the charge, care or control of any premises as executor, administrator, trustee, or guardian of the estate of the owner; or
- (3) Whose name appears on the deed or property tax bill for the property.

(f) Vacant building.

- (1) "Vacant building" means a building that is not occupied by its owner, a tenant, or other person in lawful possession or at which substantially all lawful use consistent with zoning regulations has ceased.
- (2) Except as otherwise provided in this subsection, if any of the occupiable square footage of a building is occupied, the building will not be deemed a vacant building.
- This paragraph applies to buildings located in the DB, DBO, MU-1, and MU-2, and zoning districts with a ground level designed for nonresidential occupancy. If more than 50% of the occupiable square footage of the portion of the first floor immediately adjacent to a public right-of-way is vacant, the building will be deemed a vacant building.
- (4) "Occupiable square footage" excludes basements, crawl spaces, mechanical rooms, unfinished attics, exterior porches, garages, and other non-occupiable ancillary spaces.
- (g) Vacant building notice. A "vacant building notice" is a written notice from the Director stating that the property has been deemed vacant and requiring that the property be registered in accordance with this article.
- (h) Vacant property. "Vacant property" means a lot or parcel of real property on which is situated at least one vacant building.

Sec. 12.5-52. Scope and administration.

- (a) Applicability. This article applies to nonresidential buildings and mixed use buildings. For purposes of this article, "nonresidential" means that a property is not devoted exclusively to use as a residential domicile (which may include, but is not limited to, a single family dwelling unit, townhouse, or condominium).
- (b) Other laws. Nothing in this article should be construed to relieve a property owner from compliance with all applicable federal, state, and local regulations.
- **(c)** Regulations. The Director may adopt administrative regulations to implement the provisions of this article.

Sec. 12.5-53. Determination of vacancy.

(a) Generally. This article requires property owners to register their own vacant properties. In addition, based on a complaint or any other information, the Director may determine whether or not a building is vacant. If the Director determines that a property has been vacant for at least one year, the Director shall issue a vacant building notice requiring that the property be registered.

- **Occupancy.** In determining whether a building is vacant, the Director may consider whether:
 - (1) Water, electric, and gas service are being supplied to the property and is, the amount of water, electric, and gas being used;
 - (2) There is an accumulation of mail on the property;
 - (3) The windows and doorways are covered or boarded; and
 - (4) The exterior of the property is being maintained in accordance with the Property Maintenance Code and any other applicable regulations.

Sec. 12.5-54. Registration.

(a) Requirement. The owner of any vacant property shall register the vacant property with the Director by submitting the vacant property registration form required by the Director, along with the required fee in accordance with this section.

(b) Initial registration.

- (1) This paragraph applies to a property that exists as a vacant property on December 1, 2020. If the property remains vacant, the owner shall register the property on or before December 1, 2021.
- This paragraph applies to a property that becomes vacant after December 1, 2020. The owner shall register the property:
 - (A) Within one year after the property becomes vacant; or
 - (B) Within 30 days after the owner's receipt of a vacant building notice.
- (3) If a person assumes ownership of a vacant property that has not been registered, the owner shall register the property within one year after assuming ownership.
- (4) The initial registration form must be accompanied by a filing fee as established in the fee schedule ordinance in effect at that time.

(c) Annual registration.

Once registered pursuant to subsection (b) of this section, an owner shall register the property on an annual basis for as long as the property remains vacant. The annual renewal must be accompanied by a filing fee as established in the fee schedule ordinance in effect at that time.

- (d) Information provided. The vacant property registration form will include:
 - (1) The address of the vacant property;
 - (2) The name, address, and phone number of all owners of the property;

- (3) The name, address, and telephone number of any local agent or representative;
- (4) The legal description and tax account number of the vacant property;
- (5) The date on which the building became vacant; and
- (6) An explanation as to the reason for the vacancy of the property.
- (e) Update of information. A property owner has a continuing obligation to ensure that the information provided at the time of registration remains valid. Except as otherwise provided in this subsection, if at any time the information is no longer valid, the owner shall notify the Department of the change, in writing, within 15 days after the change. If a vacant property is transferred, the new owner shall notify the Department within 30 days after the transfer and submit the name, address, and telephone number of the new owners.
- (f) Removal. If a vacant building becomes occupied at any time after registration, the owner shall notify the Department, in writing, along with corroborating documentation and request that the building be removed from the vacant property registry. The City shall remove such building from the registry within 30 days of the filing of the notice unless the City determines that there is evidence of vacancy and reason to believe that the building is vacant and subject to registration.

Sec. 12.5-55. Maintenance standards.

On or before June 1, 2021, the Director shall establish and publish on the City's website maintenance standards for vacant properties. The maintenance standards may include specific provisions of the Property Maintenance Code. The owner of a vacant property shall maintain any vacant structure on the property in accordance with the maintenance standards.

Sec. 12.5-56. Inspections.

- (a) Required. A vacant building that has been vacant for more than two years is subject to an annual inspection at time of annual registration for the purpose of ensuring compliance with the maintenance standards referenced in Sec. 12.5-55 of this article.
- (b) Performance by City. City staff will conduct the required inspections pursuant to the consent of the property owner or a tenant.
- (c) Performance by private inspectors. If consent to an inspection is not granted pursuant to subsection (b) of this section, a property owner may retain a private inspector to perform the inspection. The inspector must be a Maryland licensed architect or professional engineer and must complete the inspection on a form provided by the Department.

Sec. 12.5-57. Appeals.

- (a) Vacant Property Appeals Commission.
 - (1) There is hereby established an administrative agency to be known as the Vacant Property Appeals Commission.

- (2) The Commission consists of 5 members appointed by the Mayor with the advice and consent of the Board of Aldermen. The term of office of each member is 3 years. Members may be reappointed to successive terms.
- (3) Members must be city residents and should be qualified to make determinations on property-related issues by virtue of education or training in architecture, engineering, realty, or related subjects.
- (b) Notice and grounds. A property owner may appeal the issuance of a vacant building notice to the Commission within 20 days after its issuance. Appeals must be filed on a form provided by the Department in accordance with procedures established by the Department or the Commission and must state the grounds for the appeal. The appeal must be accompanied by the vacant building notice being appealed and a filing fee as specified in the fee schedule ordinance then in effect.
- (c) Stay. The filing of an appeal will stay the requirement to register a vacant building as set forth in Sec. 12.5-54 of this article. The stay will be lifted upon the issuance of a written decision under subsection (e) of this section.
- (d) Hearing. Within 30 days after the filing of a notice of appeal, the Commission will convene to hear the appeal. At the hearing, the owner may appear and be heard or may be represented by an agent or attorney. The owner and the Director may testify, present documents and other evidence, including witness testimony, and cross-examine witnesses. The Commission shall consider all relevant evidence submitted at the hearing. The owner has the burden of persuasion to show that the Director's determination as to vacancy was incorrect.
- (e) Decision. Within 15 days after the hearing, the Commission shall issue a written decision affirming or reversing the findings of the Director as specified in the vacant building notice. If the Commission affirms the Director's findings, the owner shall register the vacant building within 30 days after the owner's receipt of the written decision.

Sec. 12.5-58. Taxation.

A vacant property that remains vacant for a period of at least 3 years will be deemed a habitually vacant property for tax purposes as specified in Chapter 8, Article V of this Code. For purposes of calculating the 3-year period, any period during which a stay was in effect in accordance with Sec. 12.5-57 of this article will be included.

Sec. 12.5-59. Violations and penalties.

- (a) Municipal infraction. The failure of an owner of a vacant property to register the property when required by this article or to comply with inspection requirements or maintenance standards is a municipal infraction punishable by a fine of \$1,000. Each day a violation continues will be deemed a separate offense.
- **(b)** Additional remedies. In addition to the penalty established in subsection (a) of this section, the City may pursue any action available at law or in equity to remedy violations of this article.

SECTION II. BE IT ENACTED AND ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF FREDERICK that Chapter 8, Article V of The Code of the City of Frederick, 1966 (as amended) is hereby added to read as follows:

ARTICLE V. TAX ON REAL PROPERTY.

Sec. 8-13. Generally. The Board of Aldermen shall enact a special ordinance to adopt the tax rate or rates for the next taxable year after the date of finality and before the following July 1 in accordance with the MD Code, Tax-Property Article and the Charter.

Sec. 8-14. Classes of property.

- (a) Generally. Except as otherwise provided in subsection (b) of this section or in state law, there shall be a single tax rate for all real property subject to the City's property tax.
- (b) Habitually vacant property. Commencing with the 2022 tax year, the special ordinance enacted under Sec. 8-13 of this article will include rates for the following classes of real property subject to property taxation by the City:
 - (1) Habitually vacant property, as described in Chapter 12.5, Article IV of this Code; and
 - (2) All other real property.

SECTION III. AND BE IT FURTHER ENACTED AND ORDAINED, That this ordinance shall take effect on the date it is signed by the Mayor and all other ordinances or parts of ordinances inconsistent with the provisions of this ordinance will as of that date be repealed to the extent of such inconsistency.

APPROVED: November 19, 2020

PASSED: November 19, 2020

Michael C. O'Connor, Mayor

Michael C. O'Connor, President,

Board of Aldermen

Approved for Legal Sufficiency:

A Nickels

City Attorney